

Public Works Trust Fund Construction Loan Program



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Program Overview: The Public Works Trust Fund (PWTF) Construction Loan Program is one of four loan programs under the umbrella of the Public Works Trust Fund. The PWTF is a low-interest revolving loan fund designed to help local governments finance critical public works projects.

Eligible Applicants:

- ◆ Counties
- ◆ Cities and Towns
- ◆ Special purpose districts

Ineligible Applicants:

- ◆ Private utilities
- ◆ Private enterprises
- ◆ School districts
- ◆ Port districts

Although these entities are not eligible for PWTF funding, the Public Works Board encourages partnerships with eligible jurisdictions. This could be in the form of an inter-local agreement with the owner of the improved facility.

NOTE: The applying local government **must** retain ownership or have a long-term lease of the improved portion of the facility, for the life of the loan.

Eligible Activities:

Eligible projects include repair, replacement, rehabilitation, reconstruction, or improvement of eligible public works systems to meet current standards for existing users, and may include reasonable growth as part of the project.

Six types of systems are eligible for funding:

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|-------------------------|------------------|
| ◆ Domestic Water | ◆ Sanitary Sewer |
| ◆ Storm Sewer | ◆ Road |
| ◆ Solid Waste/Recycling | ◆ Bridge |

Ineligible Activities:

PWTF loans are **not** designed to finance the following activities:

- ◆ Rolling stock
- ◆ Projects for routine maintenance & operation activities

Threshold Requirements:

- ◆ Counties and cities must have adopted a local one-quarter of one percent Real Estate Excise Tax (REET).
- ◆ Counties, cities, and special purpose districts **not** planning under the GMA must have adopted a Capital Facilities Plan that meets Public Works Board standards for each eligible system they own.
- ◆ Counties and cities planning under the GMA must be in conformance with adoption timelines for Comprehensive Plan and Development Regulations.

Funding Criteria:

- ◆ Ten million dollars is available per jurisdiction per biennium.
- ◆ Interest rate is linked to percentage of local match:
15% Local Match = 0.5% Interest Rate
10% Local Match = 1% Interest Rate
5% Local Match = 2% Interest Rate
- ◆ Loan term is for the life of the project, or 20 years maximum.
- ◆ Project completion time is 48 months after contract execution.

Application Cycle:

Applications are accepted once a year in May. All projects require legislative approval. Money will be made available following the Governor's signature on the loan list legislation, the following year.

Public Works Board Staff

Board staff are housed in the Department of Community Trade, and Economic Development, in the Local Government Division. Currently there are 11 staff to the Board. The group is separated into two sections - Administration and Client Services. Administration consists of the day-to-day operations of all programs. This includes Budget, Accounting, Contracts, Applications, Workshops, etc.

Client Services is made up of the Executive Director, four Client Service Representatives, and two support staff.

Client Service Representatives are the primary contacts for all matters dealing with both the PWTF, and or the DWSRF. The state is divided into regions, each managed by a Client Service Representative. The Map reflects how the state is divided. For information regarding project financing, environmental reviews and loan conditions, contact one of the Public Works Board Client Service Representatives.

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